

III. Hong Kong Returns to the Dragon

As we sift through the many ups and downs of China's history over the last fifty years: its successes and its failures, its follies, fears, and startling achievements, the return of Hong Kong to the motherland emerges as an event of major historical importance both for China and for the world.

Precisely at midnight, the big clock in Tiananmen Square stopped ticking. It was all over. After 156 years of British rule, Hong Kong had returned to Chinese sovereignty. On July 1, 1997, the SAR was born. It had not been an easy birth.

Millions watched as the Union Jack was lowered for the last time and the Red Flag of the People's Republic was hoisted. The rains beat down soaking the thousands assembled for the event. There were tears of sorrow and tears of joy that mingled with the weeping heavens. The heavy rain only seemed to add to the unease and uncertainty of the moment.

The moment had arrived

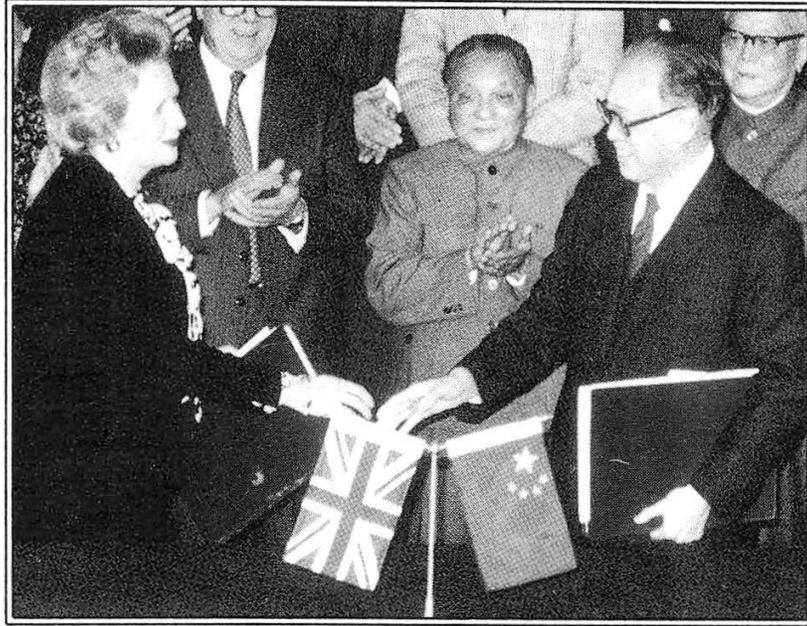
For seven years before the transition date, 60,000 people had emigrated each year. Most of these were professionals or business people who feared that the "one country two systems" that Deng Xiaoping had originally devised for the return of Taiwan, would fail to work.

In 1984, Great Britain's Prime Minister, Margaret Thatcher sat down with Premier Zhao Ziyang and signed the Sino-British Declaration on the future of Hong Kong. At that time the actual handover seemed light years away, but suddenly the moment had arrived.

When the agreement was reached, China promised that it would leave the Hong Kong system intact for the next fifty years. This was important for the people of Hong Kong. Under British rule, although the beginnings had been unsavory indeed, Hong Kong had become a major player on the world's economic stage. Hong Kong could boast of being the city with the highest standard of living in Asia. It ranked as the fourth most important financial center in the

world, right after New York, London, and Tokyo. It boasted having the world's biggest container port,¹³ and at the time of the handover, 35% of China's foreign trade passed through Hong Kong."

Prime Minister of Great Britain, Margaret Thatcher with Chinese Premier, Zhao Zhiyang and Deng Xiaoping, after signing the Joint Declaration on December 1984.



The event itself had no historical precedent.

Britain had given up many of its colonies, but always in favor of independence. In an interview with the *Boston Globe* in 1993, Governor Patten, Hong Kong's last governor, in speaking of the colonies that Great Britain had now relinquished, said, "We've tried to establish institutions of a free society in countries going from dependence to independence. Hong Kong is different, because it's not going to be independent."¹⁴

This time, Britain was handing over its adopted son, its pride and joy, to China, a country with whose basic principles Britain fundamentally disagreed.

Deng Xiaoping had also expressed certain reservations about his own "one country, two systems" plan. In a 1987 speech he had set some parameters to Hong Kong's future autonomy, "The Central government will not interfere in the Special Administrative Region's routine affairs, nor does it feel a need to. But what if something happens...that threatens to jeopardize the country's fundamental interests? Can one imagine that Hong Kong would ever be entirely free from disturbance and destructive forces?"¹⁵

Where minds don't meet

Like Britain, China had no previous model to follow. A prodigal son was coming home. This son, unlike the Gospel prodigal,

was not coming home without money, and not because he was starving. He was more a golden goose bringing home the golden egg, but this did not mean that the father had no misgivings. This son was coming home with ideas and a lifestyle very different from those of his father. How would this all work out?

As the date of the transition approached, both the father and the son had given signs of being unruly. In anticipation of the changeover, the people of Hong Kong had voted overwhelmingly for democracy. Uncomfortable with Patten's idea of more democracy for Hong Kong, Beijing had reacted by insisting on having a say in everything Hong Kong was trying to do before "D" day. Beijing had even succeeded in getting some civil servants it did not like removed from their positions. They had put every obstacle possible in the way of a number of projects including the construction of the new airport and the new container port.¹⁶ It had decided to set up a provisional legislature. Britain had been unsuccessful in bringing the issue to the International Court of Justice.

After a series of consultations, the Diocese accepted that Church members in their personal capacity could sit on the "Selection Committee for the Hong Kong Special Administrative Region," whose responsibility was to select the first Chief Executive designate of the SAR, but they were expected to abstain from electing the members of the Provisional Legislature whose legal foundations were questionable.

There were doubts in Hong Kong as to whether Tung Chee-hwa would deal with the "one country, two systems" concept with sufficient firmness and diplomacy as to give both Beijing and Hong Kong reasons for trust and confidence.

There were also some misgivings about the future of religion itself. In May 1997, Cardinal John Baptist Wu, Bishop Joseph Zen, Bishop John Tong, and Father Dominic Chan left for Beijing to meet with state officials and religious representatives. They wanted to express their views on various matters regarding the Catholic Church in Hong Kong. The discussion was frank and friendly. The Chinese gave assurances that church work in Hong Kong could continue as usual.

Before the July 1 handover, Chief Executive-designate Tung Chee-hwa had already listed his priorities: "1) to win the trust of the Chinese government, 2) to de-emphasize political reform, and 3) to focus on issues related to people's livelihood."¹⁷

He had also offered an unclear stance on whether the present members of the municipal councils and district boards would retain their seats after the territory's return to China. "To love China, love Hong Kong, and to uphold the Basic Law are the basic considerations. People should not have any objections."¹⁸

One year after the handover

For several months following the handover, people were happy. The international community decided that Hong Kong had survived the handover very well, "It must be concluded that, on balance, Hong Kong has survived the handover with flying colors. One indicator is the stock market."¹⁹ It had reached unprecedented high levels. Another indicator was the public's satisfaction with the performance of the government in general and the Chief Executive in particular. "Yet another more interesting indicator is provided by Mr. Martin Lee Chu-ming, Chairman of the Democratic Party. Mr. Lee, a perennial government critic, seems quite satisfied with how the new SAR government and the Chinese government have behaved so far, especially in the treatment of political opposition in Hong Kong." He added, "I hope this is the beginning of building up that trust. It takes a bit of time to cultivate. But when they saw a smooth transition, they could say, leave it to Hong Kong. And the more they do not interfere in Hong Kong, the more we can trust them. So far the climate is right for this trust to grow."²⁰

It seemed that the gloomy pre-handover forecasts were giving way to some promising future prospects for Hong Kong.

When the People's Liberation Army rolled down the streets of Hong Kong from the border, at dawn, on July 1, 1997, many people had felt uneasy. The shadow of Tiananmen was still fresh in their minds. But one year after the handover, the PLA contingent in Hong Kong had hardly been visible except on occasion to open its barracks to visitors and provide them with creative entertainment.

Xinhua, the New China News Agency, China's former official representative, had been downsized and restructured. Other agencies of the Beijing government operating in Hong Kong had all kept a low profile.²¹

The first year ended with Hong Kong's autonomy, human rights, freedom of religion, and the rule of law intact. Beijing had not interfered with the day to day running of the territory.

The second year following the handover

The political sector seemed intact, but Hong Kong's worse fears came from a completely unexpected quarter: the economy. October 23, 1997 sent an ominous sign as the Hang Seng Index registered a 1,211 point drop in one day. Stock markets around the world came tumbling down. Soon Yaohan Department Stores shut down laying off 2,700 employees.²² This was merely the start of numerous shutdowns. Hong Kong along with the rest of Asia was experiencing the end of Asia's thirty-year economic miracle. Mainland China seemed to be the one exception.

Besides the poor economic conditions, there were other worrisome signs. Many felt that the Hong Kong government was being too timid. Although Tung Chee-hwa denied seeking direction from Beijing, he kept giving the impression of going out of his way to please the central government. This at times even seemed to be at the expense of Hong Kong's welfare, for example, Beijing on several occasions, and without any explanation, refused to grant visas to members of the Hong Kong Democratic Party. Mr. Tung made no serious effort to question Beijing's actions.

On January 29, 1999, Hong Kong's highest court, the Court of Final Appeal, interpreting the Basic Law, ruled that children born in the Mainland, whose parents now resided in Hong Kong had the right of abode in the territory. This opened the door to thousands of mainland children. Tung Chee-hwa warned of "unimaginable consequences and a bill of \$90 billion to cover additional housing, health and education costs if nothing was done to halt an influx of 1.7 million mainland children. Many thought these figures were inflated. But the government in Hong Kong, in something of a panic, decided to seek Beijing's reinterpretation of the court's ruling.

In a rare statement on political affairs, Cardinal Wu of Hong Kong criticized the Hong Kong government's handling of the right of abode issue, "Asking for a reinterpretation from the National People's Congress cannot help but damage the foundation of the autonomy of the SAR and shake the foundations of the Hong Kong family." He added, "It will raise doubts in people's minds about the central government's promise of 'one country, two systems with a high degree of autonomy,' and undermine the confidence of the international community towards Hong Kong."

This disputed ruling was only resolved when "Hong Kong's highest court stuck with its controversial legal decision but took what

was in effect an oath of fealty to China's parliament, the National People's Congress. The problem, however is that Hong Kong's vaunted reputation for judicial independence may have been compromised as well."²³

The judiciary seemed compromised further as the Justice secretary, Elsie Leung, came under a great deal of criticism for her handling of justice issues. There was also the case of immigration officials denying visas to eleven exiled mainland-Chinese dissidents who had been invited to attend a seminar in Hong Kong.

As the second year came to a close, there were signs that the economy was picking up, but the confidence in the government was low, and doubts remained as to whether the rule of law would remain intact or whether the judiciary would maintain its independence and authority.

But we must not underestimate the resilience of the people of Hong Kong. So many of its inhabitants came to the territory as refugees fifty years ago. They came with nothing but the will to be free and the willingness to work untiringly to give their children a bright future. They will not now easily give up their gains. Their achievements have won them the admiration of the world. They succeeded in turning this barren rock into a thriving and fascinating metropolis. Their descendants will, no doubt, carry on this splendid tradition.

Endnotes

¹*China News Analysis*, June 15, 1999, No. 1387, p. 1.

²Amnesty International, "People's Republic of China, Tiananmen Ten Years on Forgotten Prisoners," April 1999.

³*UCAN*, No. 511, June 21, 1989, pp. 13-14.

⁴Op cit., *CNA*, No. 1387, June 15, 89.

⁵Op. cit., Amnesty International.

⁶Jean Philippe Beja, "Tiananmen Ten Years Later: A Turning Point in the History of Opposition in China," *Perspectives*, No. 24, July-August 1999, pp. 4-12.

⁷Anthony B.L.Cheung, "Tiananmen Revisited," *Tripod*, May-June 1994. p.13.

⁸Teresa Wright, "State Repression and Student Protest in Contemporary China," *The China Quarterly*, No. 157, March 1999, pp. 142-172.

⁹*Ibid.*

¹⁰*CNCR*, June 9, 1989.

¹¹Yuan Zhiming, "The June 4th Generation Today," *Word & World, Theology for Christian Ministry*, Spring 1997, pp. 192-195.

¹²Ibid.

¹³Ibid. Cheung, p. 18.

¹⁴*China News Analysis*, June 15, 1999, No. 1387, p. 1.

¹⁵Amnesty International, "People's Republic of China, Tiananmen Ten Years on Forgotten Prisoners," April 1999.

¹⁶*UCAN*, No. 511, June 21, 1989, pp. 13-14.

¹⁷Op cit., *CNA*, No. 1387, June 15, 89.

¹⁸Op. cit., Amnesty International.

¹⁹Jean Philippe Beja, "Tiananmen Ten Years Later: A Turning Point in the History of Opposition in China," *Perspectives*, No. 24, July-August 1999, pp. 4-12.

²⁰Anthony B.L.Cheung, "Tiananmen Revisited," *Tripod*, May-June 1994, p.13.

²¹Teresa Wright, "State Repression and Student Protest in Contemporary China," *The China Quarterly*, No. 157, March 1999, pp. 142-172.

²²Ibid.

²³*CNCR*, June 9, 1989.

²⁴Yuan Zhiming, "The June 4th Generation Today," *Word & World, Theology for Christian Ministry*, Spring 1997, pp. 192-195.

²⁵Ibid.

²⁶Ibid. Cheung, p. 18.

²⁷*The Boston Globe Magazine*, June 20, 1993, p. 17.

²⁸Ibid.

²⁹Ibid., pp. 27-28.

³⁰David Wong, "1997 Will Be Great," *Asian Report*, No. 220, January 1997, p. 4.

³¹*China News Analysis*, No. 1599-91, August 1-15, 1999, p. 3.

³²*The Far Eastern Economic Review*, February 20, 1997, p. 15.

³³Ibid., p. 14.

³⁴Ibid., p. 15

³⁵*China News Analysis* No. 1615-16, August 1-15, 1998. P.3.

³⁶*South China Morning Post*, "Hong Kong Review, 97" January 12, 1998, p.6.

³⁷*Far Eastern Economic Review*, February 25, 1999, p. 20, and March 11, 1999, p. 20.